



September 13, 2016

BY ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: NOTICE OF EX PARTE
WT Docket No. 10-208: *Universal Service Reform - Mobility Fund*
WC Docket No. 16-143: *Business Data Services in an Internet Protocol Environment*

Dear Ms. Dortch:

On September 9, 2016, Steven Berry, Tim Donovan, and I of Competitive Carriers Association (“CCA”) and John Nakahata of Harris, Wiltshire & Grannis met with Federal Communications Commission (“FCC” or “Commission”) Commissioner Jessica Rosenworcel and Travis Litman, Senior Legal Advisor to Commissioner Rosenworcel, to discuss the above-referenced proceedings. During the meeting, CCA discussed Commission efforts to reform the high-cost Universal Service Fund (“USF”) program to help preserve and expand consumer-demanded wireless services in rural America. CCA also emphasized that concluding the long-standing Business Data Services (“BDS”) proceeding will help to ensure a rapid roll-out of next generation wireless networks for all carriers.

Mobility Fund II

When developing Mobility Fund II, CCA encouraged the Commission to provide sufficient and predictable funding that can sustain mobile wireless operations and avoids flash cuts for legacy funding. Mobility is essential for next generation technology including 5G and the Internet of Things to flourish throughout the country.¹ The Commission must not strand currently served

¹ For example, Commissioner Rosenworcel’s recent remarks on “The Broadband Imperative and The Homework Gap” emphasize the importance of universal broadband access and the need for network deployment to ensure children have access to Internet connections in schools and libraries. As the Commissioner acknowledges, more work must be done to “bridge the homework gap and close the cruellest part of the digital divide.” See Statement of Commissioner Jessica Rosenworcel, “The Broadband Imperative and The Homework Gap,” State Education Technology and Directors Association, Washington, D.C. (Sept. 8, 2016). As another example, new telehealth technologies are connecting consumers in rural and hard to reach areas with urban physicians, and precision agriculture is transforming the ability of American farmers with limited resources to deliver productivity gains and environmental sustainability.

consumers without mobile networks - consumers' preferred choice - particularly in rural and disadvantaged areas.²

The Commission also should promote competition and innovation in unserved and underserved areas.³ For example, the FCC can help to ensure consistent coverage by funding at least a CDMA and a GSM provider in an area to ensure coverage when a wireless consumer falls-back from its carrier's LTE network. Any USF reform that fails to account for this fallback threatens to disconnect rural consumers from public safety access, roaming capabilities, and 9-1-1 service.

Finally, the FCC must account for unique operating and capital expenses to deploy in rural and remote areas of the United States.⁴ CCA therefore encouraged the FCC to perform more accurate measurement analysis to identify gaps in coverage.⁵

Business Data Services

CCA reiterated the importance of immediate BDS reform, particularly as mobile carriers work to densify their networks in anticipation of 5G and the technologies it will support. Specifically, CCA encouraged the FCC to adopt a presumption that low-capacity BDS are not competitive and apply a competitive market test to high-capacity BDS above-50 or -100 Mbps.⁶ The FCC cannot solve the economic challenge of accessing backhaul for 5G traffic increases without reforming the high-capacity BDS market. Carriers need competitive prices for above-50 or -100 Mbps backhaul, which is a necessary stepping stone to next generation networks and 5G.

² See *Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel, CCA, to Marlene H. Dortch, Secretary, FCC, WT Docket No. 10-208 (filed Nov. 16, 2015); see also *Ensuring Intermodal USF Support for Rural America Before the S. Comm. on Commerce, Sci., and Transp. Subcomm. on Comm'n's, Tech., Innovation, and the Internet*, 114th Cong. (2016) (statement of Steven K. Berry, CEO & President of Competitive Carriers Association).

³ See Letter from Sens. Wicker (R-MS), Manchin (D-WV), Baldwin (D-WY), Blunt (R-MO), Burr (R-NC), Capito (R-WV) Daines (R-MT), Ernst (R-IA), Fischer (R-NE), Gardner (R-CO), Heitkamp (D-ND), Johnson (R-WI), King (I-ME), Klobuchar, (D-MN), McCaskill (D-MO), Moran (R-KS), Peters (D-MI), Roberts (R-KS), Rubio (R-FL), Tillis (R-FL), Vitter (R-LA), Warner (D-VA), Wyden (D-OR), Cochran (R-MS), Boozman (R-AR), Kirk (R-IL), U.S. Senate, to The Hon. Tom Wheeler, Chairman, Federal Communications Commission (July 11, 2016), *available at* <http://www.wicker.senate.gov/public/index.cfm/2016/7/senators-to-fcc-close-the-rural-broadband-gap> ("Senate Mobility Fund II Letter").

⁴ See *Connect America Fund – Alaska Plan*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket Nos. 16-271, 10-90 ¶¶ 72-73 (rel. Aug. 31, 2016) ("Alaska Plan").

⁵ See Senate Mobility Fund II Letter.

⁶ See *Ex Parte* Letter from Rebecca Murphy Thompson, EVP & General Counsel, CCA to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-143 *et al.* (filed Sept. 9, 2016).

This *ex parte* notification is being filed electronically with your office pursuant to Section 1.1206 of the Commission's Rules. Please do not hesitate to contact me with any questions or concerns.

Respectfully submitted,

/s/ Rebecca Murphy Thompson

Rebecca Murphy Thompson
EVP & General Counsel
Competitive Carriers Association

cc (via email): Commissioner Jessica Rosenworcel
Travis Litman